THE MINISTER OF HUMAN RESOURCE DEVELOPMENT (SHRI ARJUN SINGH): (a) to (c) According to the information furnished by the University of Delhi, a complaint was received from a Scientist working in the University alleging that revaluation of answer books of one paper of M.A. (Philosophy) 1990 examination was done by members of the Department of Philosophy other than the original examiner. The University has looked into the matter and clarified that as per the normal practice, the task of revaluation is undertaken by members of the Department other than those examiners who did the first evaluation. In the instant case also, revaluation was done by competent teachers in the subjects concerned.

Low credit rating of India

1157. SHRI SANTOSH BAGRODIA: Will the Minister of FINANCE be pleased to state:

(a) whether the country's rating for both long term debt and short term borrowings has been lowered by leading U.S. credit agencies recently;

(b) if so, what are the details thereof; and

(c) what is the overall impact of country's downgraded credit rating on balance of payments position and the public sector companies and financial institutions which have been scouting for short term loans?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) Yes, Sir.

(b) The details are given in the *Statement.*

(c) Down grading of credit rating adversely affects the quantum, maturity and cost of securing foreign currency loans in the commercial markets by public sector companies and financial institutions. This in turn has an unfavourable impact on the balance of payments.

Statement

Agency-wise and date-wise details of downgradings

Agency	Date	Event
Moodys	1-8-90	Moodys placed India's ratings of A2 (long-term) and P1 (short-term) on watch list for possible downgradings.
Moodys	4-10-90	Downgrades India from A2 to Baa1 (long-term) and P1 to P2 (short-term).
Moodys	27-3-91	Downgrades India from Baa1 to Baa3 (long-term) and from P1 to P3 (short-term).
		Thereby for the first time Moodys, which have traditionally been more bullish on India, equates its ratings with the ratings of S & P.
Moodys	24-6-91	Downgrades from Baa3 to Baa2 (long term debt) and Prime-3 to non-Prime (short-term).
Standard & Poors . .	19-9-90	S & P announcing a first rating of BBB (long-term) and A2 (short-term) which is lower than the existing Moodys rating.